



COMMONWEALTH of VIRGINIA
Office of the Attorney General

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MEMORANDUM

TO: CARLA RUSSELL
Health Care Reimbursement Manager
Department of Medical Assistance Services

FROM: JENNIFER L. GOBBLE
Special Counsel to DMAS

DATE: November 18, 2008

SUBJECT: Proposed Regulations concerning Recalibrating the Resource Based Relative Value System (RBRVS) Physician Rates and Implementing Site of Service Differentials

I have reviewed the attached proposed regulations concerning recalibrating the RBRVS physician rates and implementing site of service differentials.

Based on that review, it is this Office's view that the Director of the Department of Medical Assistance Services, acting on behalf of the Board pursuant to Va. Code § 32.1-324, has the authority to promulgate these regulations, subject to compliance with the provisions of Article 2 of the Administrative Process Act and has not exceeded that authority.

The proposed regulations seek to align more closely DMAS' reimbursement methodology for physician services with the methodology used by Medicare. The changes were first made by the promulgation of emergency regulations. The proposed regulations will enable the Director, in lieu of the Board of Medical Assistance Services, to comply with the mandate of the General Assembly in Item 306 PP of the 2008 Appropriations Act.

Carla Russell
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If you have any questions or need additional information, please feel free to contact me at 786-1840.

cc: Brian McCormick
Regulatory Supervisor
Department of Medical Assistance Services

Kim F. Piner
Senior Assistant Attorney General